



GOVERNOR

GRAY DAVIS



THE FIRST  
HUNDRED DAYS

LASTING VALUES  
NEW DIRECTION

*“I think Governor Davis is doing a terrific job ... the thing that Californians can be proud of is that he will, in my view ... keep the state focused on the future. He’ll keep working on the big issues. And he’ll get results. He will stay at something until he gets results.”*

*“And I personally thought his decision to go to Mexico and establish a relationship with the President there—who is a progressive, able person, and an honest person—was a very smart decision for the people of California. But it’s one of many smart decisions he’s made.”*

*President Bill Clinton  
The Michael Jackson Show  
March 8, 1999*



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## BALANCED BUDGET

### A Thoughtful, Moderate Approach

*“Governor Gray Davis’ \$76.2 billion budget represented a thoughtful but cautious approach .... The moderate course is the right one in light of what appears to be a slowing economy.”*

*San Francisco Chronicle  
January 11, 1999*

*“It hints that he understands some of the deeper problems—local government financing, declining infrastructure—that California faces. It’s a solid start.”*

*San Jose Mercury News  
January 10, 1999*

Five days after being sworn in as California’s 37<sup>th</sup> governor, Governor Gray Davis submitted a balanced budget—on time, which:

- ★ Closes a \$2.3 billion shortfall;
- ★ Provides \$444 million in new spending for the governor’s education initiatives;
- ★ Earmarks \$70 million to hire up to 700 new police officers;
- ★ Dedicates \$14.6 million to open a new veterans home in Chula Vista;



- ★ Directs CalTrans to initiate dozens of transportation projects by more efficiently spending hundreds of millions of dollars of previously earmarked funds; and
- ★ Proposes \$10 million in challenge grants to fund coastal access and wetlands restoration projects; restores \$981,000 to support the California Coastal Commission's assistance to local governments and includes \$20 million to enhance Lake Tahoe and the Tahoe Basin.

Governor Davis also established 4 key task forces, including:

- ★ **Health Care Reform Task Force**—The Task Force has met with numerous health care stakeholders during the nearly one dozen meetings conducted. The Task Force is in the process of providing recommendations to the governor for his review and discussion.
- ★ **Commission on Building for the 21<sup>st</sup> Century**—The Commission was established to address California's critical infrastructure needs, determine recommendations for future bond indebtedness and stagger the priority of projects to ensure an effective and strategic approach to housing, roads, mass transit and other infrastructure needs.
- ★ **State Housing Task Force**—The Task Force was established to determine future housing needs to grapple with urban sprawl and to look at effective methods of providing low-cost housing for millions of California's working poor.
- ★ **State/Local Government Finance Relationship Working Group**—The Working Group was established to improve the relationship between the state and local governments, consistent with Governor Davis' call for a more integrated approach to the delivery of state and local services.



## RESTORING THE PROMISE OF PUBLIC EDUCATION

### Governor Davis' Education Reform Legislation

*"There are few consequences for failure in California schools. Gov. Gray Davis wants to change that with legislation that would hold students, teachers and principals more accountable, with rewards for success and assistance for laggards, along with heavier consequences for failure. The Legislature should not delay this progress."*

*Los Angeles Times  
March 8, 1999*

*"The common denominator in the bills is that every one of them is designed to improve student academic achievement...."*

*San Francisco Chronicle  
March 22, 1999*

*"Gov. Gray Davis has notched his first big legislative victory with final passage of his school reform plan on the 79<sup>th</sup> day of his new administration."*

*Associated Press  
March 28, 1999*

As his first official act, Governor Davis called a special session of the Legislature to reform California's schools. Within two weeks, Davis proposed his legislative package—**READ: "Raising Expectations, Achievement and Development"**—consisting of four pieces of legislation to improve



student and teacher performance, establish a high school exit exam, and provide for intensive reading programs. All four bills passed through the Legislature in record time and have been signed into law.

- ★ Learning to Read, Reading to Learn (Signed into law March 29, 1999)
  - ★ appropriates \$75 million for new K-4 reading programs
  - ★ \$12 million for summer academies to train teachers on effective reading techniques
  - ★ \$6 million for a public reading campaign and Governor's Award programs
  - ★ \$1 million to develop Governor's Teacher Scholarships and the Governor's Principal Institute
- ★ Requiring a High School Exit Exam (Signed into law March 29, 1999)
  - ★ Establishes a tough exit exam for all high school students, beginning with the class of 2004, insuring a high school diploma has *real* meaning in the real world
- ★ Improving Teacher Performance (Signed into law April 6, 1999)
  - ★ Establishes peer review modeled after successful programs in other states
  - ★ Earmarks \$100 million for peer training and assistance



- ★ Supplements annual teacher evaluations with peer reports and submits negative evaluations to local school boards
- ★ Holding Schools Accountable for Student Performance (Signed into law April 5, 1999)
  - ★ Creates an Academic Performance Index (API) based on achievement testing, graduation rates and attendance records
  - ★ Provides \$96 million to provide planning assistance and implementation, and an intervention process to over 300 schools that score below the 50<sup>th</sup> percentile
  - ★ Appropriates \$96 million in cash awards to schools that dramatically increase their ranking on the index.





## REWARDING HARD WORK

### The Governor's Four Percent Proposal

*"Governor Davis has made the 4% proposal a hallmark of his education agenda."*

*Fresno Bee  
March 17, 1999*

*"Gov. Gray Davis has championed the plan as a way to level the playing field..."*

*Sacramento Bee  
March 12, 1999*

The Governor's Four Percent Proposal allows the top four percent of each high school class to be eligible for admission to the University of California, increasing the pool of eligible students while maintaining high academic standards. This proposal provides access for the best students from every high school throughout California with no effect on students currently eligible.

On March 19, the Board of Regents unanimously approved the Governor's Four Percent Proposal. The University of California estimates the proposal will increase the pool of eligible students by 3,600 or 1.4 percent, meeting the 12.5 percent goal recommended by the Master Plan for Education. The clearest illustration for the effects of the governor's proposal can be seen in high schools that are not traditionally known as "feeders" to the University of California.



<b>School</b>	<b>Students Currently Enrolled at UC*</b>	<b>Students Eligible For UC Under The Governor's 4% Proposal**</b>
Arvin High School (Kern County)	8	13
Compton High School (Los Angeles County)	3	18
Fillmore High School (Ventura County)	5	7
Hoover High School (San Diego County)	9	17
Madera High School (Madera County)	15	20
Selma High School (Fresno County)	4	8

\* according to the University of California for 1998

\*\* assumes students meet eligibility requirements set by the University of California

The University of California estimates the largest growth in eligible students will be from high schools in rural areas followed by those in urban areas.



## THE CITRUS FREEZE OF '98

### Supporting California's Agricultural Powerhouse

Within 24 hours of taking office, Governor Davis directed top agency officials to assess the damage to crops and businesses. Less than 72 hours later, Governor Davis called upon the federal government to provide emergency assistance to six counties impacted by the devastating December freeze of 1998. Later, Davis would declare an additional three counties as disaster areas. The freeze is responsible for destroying citrus crops and leaving as many as 14,000 farm workers unemployed. Damage from the freeze has caused more than \$700 million in agricultural crop losses.

Eight days into his administration, Governor Davis traveled to Clovis in Fresno County to witness firsthand the destructive effects of the freeze on crops. Davis met with area farmers and workers to discuss the swift action his administration had taken to date and to listen to recommendations from area residents on immediate community needs.

The governor succeeded in receiving assistance from Washington in record speed. At the governor's request:

- ★ President Clinton declared a major disaster on February 10<sup>th</sup>.
- ★ The secretaries of the federal Departments of Agriculture, Labor and the Small Business Administration each initiated disaster assistance programs within their federal agencies.



- ★ The Federal Emergency Management Agency issued a disaster declaration that activated the federal Disaster Unemployment Insurance program, \$10 million in Department of Labor funds, and \$25 million in low-interest loans through the Farm Service Agency.
- ★ More than \$150 million in federal and state resources have been made available for recovery from the freeze. For the state's part, Governor Davis redirected \$3.2 million in flood relief funds; authorized \$8 million in Small Business Disaster Loans; waived the 7-day waiting period for State unemployment insurance; and organized \$4.5 million in job assistance funds.
- ★ Governor Davis directed the opening of 18 Disaster Service Centers in freeze-stricken areas to assist with distribution of emergency food and job assistance for area residents.



## GOVERNOR DAVIS' TRIP TO MEXICO

### La Mano de Amistad

*"The new governor understands that Mexico's well-being is important to California. That's why he is launching a healing process with a three-day visit starting today."*

*Los Angeles Times  
February 1, 1999*

*"In private meetings and public appearances, Davis made a valuable—and overdue—gesture to improve links with its second biggest trading partner."*

*San Francisco Chronicle  
February 2, 1999*

*"Gov. Gray Davis' trip to Mexico may have been brief, but its accomplishments were expansive."*

*San Diego Union-Tribune  
February 8, 1999*

Governor Gray Davis was the first California governor in six years to visit Mexico, leading an impressive delegation of business and labor leaders, education officials, and high-ranking elected officials from California to meet with Mexican President Ernesto Zedillo. The delegation later traveled to Monterrey, Mexico, to meet with Nuevo Leon Governor Fernando Canales to discuss education exchanges and ways to increase trade opportunities between Mexico and California.



Hailed as a major success for the administration, Governor Davis' trip was rewarded with the announcement of a major Mexican telecommunications company moving its headquarters to San Diego, which is expected to produce 500 new jobs for California workers.

Fulfilling a campaign promise to end the era of wedge-issue politics, Governor Davis opened a new era in California-Mexico relations and paved the way for a visit by Mexican President Ernesto Zedillo to California in the spring.



## PRESERVING THE HEADWATERS

### Protecting the Majestic Sentinels of the Forest

*“Governor Gray Davis stood firm in demanding strong environmental protections ... and the Headwaters Forest was finally saved.”*

*San Francisco Chronicle  
March 3, 1999*

Governor Davis stood firm and demanded environmental protections to ensure that the Headwaters Forest would be preserved for future generations. Without a deal finalized, Governor Davis instructed his Resources Secretary to double the state forestry inspection and enforcement operations in Humboldt County. Governor Davis also ensured that the deal's provisions are transferred with the land, binding any new owner to uphold the same protections as Maxxam. In the end, the rigid environmental protections were accepted and the ancient redwood forest was preserved.

A few weeks later, Governor Davis traveled to the North Coast to deliver \$12 million in economic development monies to Humboldt County as part of the historic Headwaters' agreement. These funds are intended to offset the local economic impact of the agreement through job training, capital improvements and public service projects. During his visit, Governor Davis went to the newly acquired Headwaters forest to appreciate firsthand the breathtaking beauty of the majestic redwoods.

Preserving our environmental heritage is one of the great responsibilities of our generation. Many of these magnificent trees have stood proudly throughout this millennium and this agreement will ensure that they will see the next.



## Y2K TASK FORCE

### Preparing for the Next Millennium

*“Davis responded ... by creating three panels to rapidly assess and repair the [Y2K] problems.”*

*Los Angeles Times  
March 16, 1999*

Governor Davis issued an Executive Order establishing a team of technology experts to prepare California for the Y2K challenge before the end of 1999. The team is in the process of making sure all state agencies and mission critical systems within those agencies are Y2K-ready.

Governor Davis also assembled a team of chief information officers from the Silicon Valley's high-tech community to provide input and assistance with the state's Y2K challenge. The meeting of 22 CIO's from California's blue chip technology companies resulted in recommendations on how to enhance the state's effort to ensure Y2K readiness.





## GOVERNOR DAVIS' TRIP TO WASHINGTON D.C.

### Working to Get California's Fair Share

*"While other governors have been hearing presentations ... Davis has been trying to negotiate a resolution on the Headwaters Forest with Interior Secretary Bruce Babbitt, seeking federal waivers from Health and Human Services Secretary Donna Shalala for population increase considerations that would boost Medi-Cal funding and hand-delivering a written request to Education Secretary Richard Riley seeking more flexibility in using federal monies for schools."*

*Sacramento Bee  
February 23, 1999*

Intent on making his first trip to our nation's capital productive, Governor Davis held numerous meetings with President Clinton, Vice President Gore and senior administration officials, to make the case for California receiving its fair share of federal resources. During the 3½-day visit, Governor Davis met with other state governors and took the time to reach out, in bipartisan fashion, to California's Congressional Delegation.

Governor Davis met with Interior Secretary Bruce Babbitt, Transportation Secretary Rodney Slater, Health and Human Services Secretary Donna Shalala, and Education Secretary Richard Riley. Later, Governor Davis discussed state issues with U.S. Senators Dianne Feinstein and Barbara Boxer. Prior to departing our nation's capital, Davis met with California's Congressional Delegation, a bipartisan group of



forty members, to underscore the need for an additional \$423 million in federal funds for California.

Governor Davis continues to focus on class-size reduction, effectively and aggressively lobbying the federal government for a waiver to be granted to California to reduce the size of 10<sup>th</sup> grade reading and math classes—a proposal that won strong support from Vice President Gore and Education Secretary Richard Riley. The waiver, granted in April through the strong lobbying efforts of Governor Davis, will allow California school districts to use an estimated \$129 million in federal funds in the next academic year to provide high school students with focused, intensive instruction to bolster reading and math skills in preparation for California's high school exit exam.



## PHASING OUT MTBE

### Keeping California's Air and Water Clean

*"Gov. Gray Davis has taken a bold and necessary step toward ridding California of one of its greatest environmental dangers."*

*Contra Costa Times  
March 30, 1999*

*"Davis made the right call."*

*San Jose Mercury News  
March 28, 1999*

*"God bless Gray Davis."*

*Dawn Forsythe  
Spokeswoman, South Tahoe Public Utility District  
Sacramento Bee  
March 27, 1999*

In a move to protect the people of California from possible health risks, Governor Gray Davis announced on March 25 that he will direct a three year, eight month phase out of the fuel additive Methyl Tertiary Butyl Ether (MTBE). By issuing an executive order, Governor Davis began the statewide process, across an array of agencies, to remove MTBE from California's gasoline supply by the end of 2002. In making his decision, Governor Davis took into account three days of public testimony and a University of California report that found the use of MTBE as a fuel oxygenate to be a possible health risk. Additionally the governor has called upon California's



Congressional delegation to establish a forum for the removal of MTBE without violating the Federal Clean Air Act.

Responding to appeals made by Governor Davis, Tosco Corporation agreed two days later to begin delivering MTBE-free gasoline in April to its Union 76 stations in Lake Tahoe, where the fuel additive has contaminated a dozen wells. Chevron Corporation has indicated that they will be able to phase out MTBE within two years, well before the governor's deadline.



## STATE EMPLOYEE PAY RAISES

### Honest Pay for Honest Work

*“This is a historic success. It marks a good beginning toward restoring the purchasing power our members have lost over the last four years without a contract. It is also the first renegotiated agreement without takeaways ... in the history of bargaining between CSEA and the state.”*

*CSEA Division Director Jim Hard  
San Francisco Chronicle  
March 3, 1999*

Throughout the gubernatorial campaign, Gray Davis emphasized the importance of rewarding California's hard-working men and women for the job they do each day on behalf of thirty-three million Californians. Holding true to his promise that he would immediately work to reach fair agreements with each of California's bargaining units, Governor Davis dispatched his director of Personnel Administration to meet with state employee representatives to begin negotiations.

Before the end of his first three months in office, Governor Davis had successfully negotiated agreements with sixteen of California's twenty-one state employee bargaining units, providing pay raises to state employees while maintaining spending within the confines of the current fiscal year budget. Discussions to date have also laid the groundwork for future negotiations between the Administration and the bargaining units for the next fiscal year.



## VETERANS' PREFERENCES

### Honoring Military Service

*"Once again, California is leading the rest of the nation and Governor Gray Davis has taken the initiative on veterans' priority in employment....*

*I encourage you to contact Governor Davis and congratulate him for his outstanding work on behalf of the three million veterans who live in California."*

*Michael McCormick*

*Letter to Veterans of Foreign Wars*

*March 31, 1999*

Governor Davis has been committed to ensuring that veterans receive priority services, particularly in programs administered by the state. Veterans have sacrificed their lives for this country and in return all employers, especially government, should give veterans special consideration.

Governor Davis restored the job listing preference for veterans, allowing a 24-hour advantage for veterans seeking employment assistance through the Employment Development Department (EDD). EDD provides services to match job seekers with job openings.

Changes to the system ordered by Governor Davis are expected to be completed by May.



## THE APPOINTMENTS PROCESS

### Selecting California's Best and Brightest

*"...Gray Davis has chosen wisely in naming former State Senator Gary Hart as his education secretary."*

*San Diego Union-Tribune  
December 2, 1998*

*"Gray Davis made a wise choice in selecting Bill Lyons Jr. of Modesto as California's new secretary of food and agriculture."*

*Modesto Bee  
December 16, 1998*

*"By selecting [Department of Corrections Director] Terhune for his team, Davis is keeping a veteran official who launched a series of policy reforms...."*

*Los Angeles Times  
March 4, 1999*

With more than 2,000 appointments to make, Governor Davis appointed his entire cabinet and key department heads, including Office of Emergency Services and Office of Criminal Justice Planning directors prior to being sworn in as governor. As of April 1, Governor Davis had appointed 13 cabinet secretaries, 22 department directors, 29 department and agency staff members, and 75 members of boards and commissions.



Governor Davis has averaged nearly one appointment per day during his first three months in office, consistent with the pace of previous new administrations at the same stage.

Of his 76 high-level appointments, Governor Davis appointed the first woman to hold the position of chief aide and senior counselor, the first-ever Asian Pacific American to hold a cabinet-level position, the first African American to serve as secretary of Health and Human Services, and the first Latina to a cabinet position.

Governor Davis' appointment "firsts" include: the first woman to head the Fair Political Practices Commission; the first woman to lead the Department of Forestry and Fire Protection; and the first Latino appointments secretary and Latino press secretary to an administration.

